DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Center for Beneficiary Choices 7500 Security Boulevard, Mail Stop C4-23-07 Baltimore, Maryland 21244-1850



HEALTH PLAN BENEFITS GROUP

DATE: May 2, 2003

TO: Medicare +Choice Organizations

Medicare Cost Plans

Medicare +Choice Demonstrations

FROM: Jean D. LeMasurier

Acting Director

SUBJECT: Annual Mailing of the Provider Directory

I am pleased to provide you with the opportunity to reduce your provider directory mailing costs.

As required by law, all Medicare Managed Care Organizations (MCOs), i.e., Medicare + Choice Organizations, Medicare Cost Plans, and Medicare + Choice Demonstrations, must give members a provider directory at the time of enrollment and annually thereafter. In the past, we have required your organization to provide a complete directory to every member annually. Now, with respect to the annual mailing of the directory (for those members who choose to receive the hard copy directory as opposed to an electronic copy), you have the option to mail a complete directory to members, or to instead mail only change pages to members. Please note that we still require that every member receive a complete directory at the time of enrollment. In addition, if at any time a member requests a complete directory, the MCO must comply with the request.

If you choose to send change pages to members, the following will also apply:

- In instances where significant changes to the provider network occur, the MCO must send a special mailing of change pages immediately. In general, the MCO can define "significant changes" when determining whether a special mailing is necessary. However, CMS may also determine a mailing is needed and may direct the MCO to conduct such a mailing.
- A new, complete provider directory must be mailed to all members at least every three years.

- Change pages may consist of the actual page being changed or a list of changes with referenced pages. Change pages must be dated.
- When sending out change pages, the MCO must include a cover letter that explains that the member can receive a complete directory upon request. The MCO should also include information on how to obtain provider network information on the Internet and/or by telephone. In addition, the first time the MCO sends change pages the cover letter should explain that the MCO will now be sending change pages to members, as opposed to a complete directory.

We will update Chapter 3 of the Medicare Managed Care Manual to include this new policy. Questions about this memorandum may be directed to your Regional Office Contact or Marketing Specialist. Thank you.